

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W.R. GRACE & CO., et al., ¹)	Case No. 01-1139 (JKF)
)	Jointly Administered
)	
)	Objection Date: May 11, 2006 at 4:00 p.m.
Debtors.)	Hearing Date: June 19, 2006 at 2:00 p.m.
)	

**QUARTERLY APPLICATION OF
BMC GROUP FOR COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES AS
CLAIMS RECONCILIATION AND SOLICITATION CONSULTANT
TO THE DEBTORS FOR THE NINETEENTH QUARTERLY
INTERIM PERIOD (OCTOBER 1, 2005 THROUGH DECEMBER 31, 2005)**

Name of Applicant:	BMC Group (f/k/a Bankruptcy Management Corporation) ("BMC")
Authorized to Provide Professional Services to:	The above-captioned debtors and debtors in possession
Date of Retention:	Retention Order entered May 8, 2002; effective as of April 4, 2002
Period for which Compensation and Reimbursement is Sought:	October 1, 2005 through December 31, 2005
Amount of Compensation Sought as Actual*, Reasonable and Necessary:	\$301,963.67*
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$ 8,781.14

¹ The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food =N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a: ☐ Monthly Application ☒ Quarterly Application ☐ Final Application

The total time expended for preparation of this fee application is approximately 40.0 hours and the corresponding compensation requested is approximately \$8,400.00²

This Quarterly Application filed by BMC is for the 19th Quarterly Interim Period.

PRIOR APPLICATIONS

Date Filed	App No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
3/4/2003	N/A	4/4/2002-4/30/2002	\$18,913.50	\$1,420.00	\$15,130.80	\$1,420.00
3/4/2003	N/A	5/1/2002-5/31/2002	\$46,559.00	\$2,781.83	\$37,247.20	\$2,781.83
3/4/2003	N/A	6/1/2002-6/30/2002	\$42,162.00	\$3,538.24	\$33,729.60	\$3,538.24
3/4/2003	N/A	5th Quarterly 2002	\$107,634.50	\$7,740.07	\$86,107.60	\$7,740.07
3/4/2003	N/A	7/1/2002-7/31/2002	\$48,181.75	\$10,701.48	\$38,545.40	\$10,701.48
3/4/2003	N/A	8/1/2002-8/31/2002	\$48,729.50	\$1,891.32	\$38,983.60	\$1,891.32
3/4/2003	N/A	9/1/2002-9/30/2002	\$55,850.00	\$2,743.43	\$44,680.00	\$2,743.43
3/4/2003	N/A	6th Quarterly 2002	\$152,761.25	\$15,336.23	\$122,209.00	\$15,336.23
3/4/2003	N/A	10/1/2002-10/31/2002	\$95,621.50	\$3,384.85	\$76,497.20	\$3,384.85
3/4/2003	N/A	11/1/2002-11/30/2002	\$49,215.25	\$2,658.68	\$39,372.20	\$2,658.68
3/4/2003	N/A	12/1/2002-12/31/2002	\$46,683.00	\$850.00	\$37,346.40	\$850.00
3/4/2003	N/A	7th Quarterly 2002	\$191,519.75	\$6,893.53	\$153,215.80	\$6,893.53
5/15/2003	10	1/1/2003-1/31/2003	\$74,318.00	\$1,229.90	\$59,454.40	\$1,229.90
5/15/2003	11	2/1/2003-2/28/2003	\$82,610.00	\$4,837.69	\$66,088.00	\$4,837.69
5/15/2003	12	3/1/2003-3/31/2003	\$72,572.25	\$3,860.72	\$58,057.80	\$3,860.72
5/15/2003	8 Q	8th Quarterly 2003	\$229,500.25	\$9,928.31	\$183,600.20	\$9,928.31
9/23/2003	13	4/1/2003-4/30/2003	\$117,598.00	\$2,132.50	\$94,078.40	\$2,132.50
9/23/2003	14	5/1/2003-5/31/2003	\$140,988.00	\$4,689.22	\$112,790.40	\$4,689.22
9/23/2003	15	6/1/2003-6/30/2003	\$95,449.00	\$8,234.67	\$76,359.20	\$8,234.67
9/23/2003	9 Q	9th Quarterly 2003	\$354,035.00	\$15,480.10	\$283,228.00	\$15,480.10
2/18/2004	16	7/1/2003-7/31/2003	\$90,293.50	\$9,851.36	\$90,293.50	\$9,851.36
2/18/2004	17	8/1/2003-8/31/2003	\$88,262.50	\$2,515.87	\$88,262.50	\$2,515.87
2/18/2004	18	9/1/2003-9/30/2003	\$82,370.00	\$16,341.34	\$82,370.00	\$16,341.34
2/25/2004	10 Q	10th Quarterly 2003	\$260,926.00	\$28,708.57	\$260,926.00	\$28,708.57
4/13/2004	19	10/1/2003-10/31/2003	\$86,187.00	\$1,861.76	\$86,187.00	\$1,861.76
4/13/2004	20	11/1/2003-11/30/2003	\$69,321.00	\$1,330.52	\$69,321.00	\$1,330.52
4/13/2004	21	12/1/2003-12/31/2003	\$62,679.00	\$2,627.14	\$62,679.00	\$2,627.14
4/13/2004	11 Q	11th Quarterly 2003	\$218,187.00	\$5,819.42	\$218,187.00	\$2,528.88
6/18/2004	22	1/1/2004-1/31/2004	\$84,944.50	\$1,327.94	\$84,944.50	\$1,327.94
6/18/2004	23	2/1/2004-2/29/2004	\$42,147.00	\$1,623.86	\$42,147.00	\$1,623.86
6/18/2004	24	3/1/2004-3/31/2004	\$89,579.50	\$1,403.99	\$89,579.50	\$1,403.99
6/18/2004	12 Q	12th Quarterly 2004	\$216,671.00	\$4,355.79	\$216,671.00	\$4,355.79
11/3/2004	25	4/1/2004-4/30/2004	\$76,264.50	\$2,134.18	\$76,264.50	\$2,134.18
11/3/2004	26	5/1/2004-5/31/2004	\$63,313.50	\$2,330.43	\$63,313.50	\$2,330.43
11/3/2004	27	6/1/2004-6/30/2004	\$58,641.50	\$2,795.01	\$58,641.50	\$2,795.01
11/3/2004	13 Q	13th Quarterly 2004	\$198,219.50	\$7,259.62	\$198,219.50	\$7,259.62

² The actual number of hours expended in preparing this fee application and the corresponding compensation requested will be set forth in BMC's subsequent fee applications.

PRIOR APPLICATIONS - continued

Date Filed	App No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
2/7/2005	28	7/1/2004 – 7/31/2004	\$45,396.00	\$2,558.91	\$45,396.00	\$2,558.91
2/7/2005	29	8/1/2004 – 8/31/2004	\$60,094.50	\$1,375.09	\$60,094.50	\$1,375.09
2/7/2005	30	9/1/2004 – 9/30/2004	\$75,755.50	\$1,251.65	\$75,755.50	\$1,251.65
2/7/2005	14Q	14 th Quarterly 2004	\$181,246.00	\$5,185.65	\$181,246.00	\$5,185.65
4/8/2005	31	10/1/2004 – 10/31/2004	\$59,922.00	\$2,144.86	\$59,922.00	\$2,144.86
4/8/2005	32	11/1/2004 – 11/30/2004	\$65,745.50	\$28,337.71	\$65,745.50	\$28,337.71
4/8/2005	33	12/1/2004 – 12/31/2004	\$62,692.00	\$8,918.87	\$62,692.00	\$8,918.87
4/8/2005	15Q	15 th Quarterly 2004	\$188,359.50	\$39,401.44	\$188,359.50	\$39,401.44
8/11/2005	34	1/1/2005 – 1/31/2005	\$67,384.00	\$2,530.41	\$67,384.00	\$2,530.41
8/11/2005	35	2/1/2005 – 2/28/2005	\$56,206.00	\$2,869.31	\$56,206.00	\$2,869.31
8/11/2005	36	3/1/2005 – 3/31/2005	\$64,836.00	\$1,666.16	\$64,836.00	\$1,666.16
8/11/2005	16Q	16 th Quarterly 2005	\$188,426.00	\$7,065.88	\$188,426.00	\$7,065.00
10/31/2005	37	4/1/2005 – 4/30/2005	\$88,685.50	\$2,391.33	\$88,685.50	\$2,391.33
10/31/2005	38	5/1/2005 – 5/31/2005	\$158,852.00	\$4,552.49	\$158,852.00	\$4,552.49
10/31/2005	39	6/1/2005 – 6/30/2005	\$232,914.00	\$13,912.17	\$232,914.00	\$13,912.17
10/31/2005	17Q	17 th Quarterly 2005	\$480,451.50	\$20,855.99	\$480,451.50	\$20,855.99
1/31/2006	40	7/1/2005 – 7/31/2005	\$468,997.75	\$17,359.91	\$468,997.75	\$17,359.91
1/31/2006	41	8/1/2005 – 8/31/2005	\$684,403.00	\$43,446.98	\$684,403.00	\$43,446.98
1/31/2006	42	9/1/2005 – 9/30/2005	\$334,412.00	\$34,731.14	\$334,412.00	\$34,731.14
2/1/2006	18Q	18 th Quarterly 2005	\$1,487,812.75	\$95,538.03	\$1,487,812.75	\$95,538.03
4/20/2006	43	10/1/2005 – 10/31/2005	\$126,175.50	\$2,460.85	Pending	Pending
4/20/2006	44	11/1/2005 – 11/30/2005	\$136,980.50	\$2,010.10	Pending	Pending
4/20/2006	45	12/1/2005 – 12/31/2005	\$54,700.50	\$4,310.19	Pending	Pending
4/20/2006	19Q	19 th Quarterly 2005	\$301,963.67*	\$8,781.14	Pending	Pending

BIOGRAPHICAL INFORMATION

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Liliana Anzaldo	Case Support Clerk, 1½ years	\$45.00	0.9	\$40.50
Martha Araki	Senior Bankruptcy Consultant, 6 years; 20 years bankruptcy experience	\$210.00	300.2	\$63,042.00
James Bartlett	Case Support Associate, 2 years	\$85.00	9.9	\$841.50
Josh Berman	Technology Director, 9 months; 10 years prior experience in data management, process re-engineering, and custom technology build-out	\$200.00	10.3	\$2,060.00
Lauri Bogue	Reconciliation Consultant, 3¼ years; 4 years prior bankruptcy experience	\$110.00	33.1	\$3,641.00
Mike Booth	Claims Reconciliation Manager, 3 years; 4 years bankruptcy experience	\$165.00	29.1	\$4,801.50
Andrea Bosack	Case Information Services Lead, 3¼ years; 7 years prior experience as Manager of Call Center of major class action/bankruptcy firm	\$90.00	2.8	\$252.00

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Susan Burnett	Consultant, 2½ years; 3 years prior experience as an attorney, 20 years prior accounting and finance experience	\$150.00	149.8	\$22,470.00
Jacqueline Bush	Data Consultant, 4 years	\$95.00	20.2	\$1,919.00
Trina Carter	Case Information Clerk, 3¾ years	\$45.00	1.0	\$45.00
Patrick Cleland	Case Analyst, 2 years	\$65.00	4.0	\$260.00
Steffanie Cohen	Reconciliation Consultant, 3 years; 2 years prior bankruptcy experience	\$110.00	25.6	\$2,816.00
David Cole	Senior Consultant, 4 months; 2 years prior experience as a bankruptcy attorney	\$150.00	54.5	\$8,625.00
Phillip Condor	Case Analyst, 1½ years; 2 years prior legal industry experience	\$65.00	58.7	\$3,815.50
Temeka Curtis	Case Support Clerk, 3 years	\$45.00	0.5	\$32.50
Rodulfo Dacalos	Case Analyst, 1½ years; 3 years prior legal experience	\$65.00	8.6	\$559.00
Corazon Del Pilar	Case Support Clerk, 2¼ years	\$45.00	2.6	\$117.00
Ellen Dors	Reconciliation Consultant, 2¾ years; prior bankruptcy experience with former employer during two bankruptcy cases	\$110.00	38.7	\$4,257.00
David Espalin	Technology Consultant, 3 years	\$125.00	4.0	\$500.00
Julia Galyen	Senior Consultant, 11 months; 2 years prior experience as a bankruptcy attorney; 8 years prior experience as a litigation attorney	\$210.00	37.7	\$7,917.00
Yvette Garcia	Case Support Associate, 2¾ years; 3 years prior bankruptcy case support experience	\$90.00	11.6	\$1,044.00
Diane George	Data Consultant, 4½ years; 2 years prior bankruptcy experience	\$140.00	11.3	\$1,582.00
Mike Grimmett	Senior Data Consultant, 3¾ years; 12 years prior experience bankruptcy and data programming	\$175.00	62.6	\$10,955.00
Sue Herrschaft	Senior Consultant, 3¾ years; former Operations Manager, Audit Division, Arthur Andersen-LA; 10 years prior experience in risk management and quality assurance	\$210.00	422.7	\$88,767.00
Leila Hughes	Reconciliation Analyst, 3¾ years; 10 years prior experience in accounts payable and creditor negotiation	\$75.00	3.2	\$240.00
Lemuel Jumilla	Case Analyst, 1½ years; 3 years prior legal industry experience	\$65.00	18.5	\$1,202.50
Paul Kinealy	Senior Consultant, 3 months; 9 years prior experience as litigation and in-house counsel	\$185.00	177.0	\$32,745.00
Paul Kinealy	Travel	\$92.50	9.0	\$832.50
Stephenie Kjontvedt	Senior Consultant, 2¾ years; 15 years experience in bankruptcy consulting	\$140.00	37.3	\$5,222.00
Steve Kotarba	Director, 1¼ years; 7 years prior experience as a bankruptcy attorney	\$275.00	7.9	\$2,172.50
Gunther Kruse	Data Consultant, 3 years; 8 years prior experience in IT industry as database administrator and network manager	\$150.00	0.6	\$90.00
Marquis Marshall	Case Support Clerk, 2 years	\$45.00	19.8	\$891.00
Heather Montgomery	Consultant, 5 months; 7 years prior experience as editor at a legal publishing company	\$110.00	58.0	\$6,380.00

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
James Myers	Case Support Clerk, 4½ years	\$65.00	2.1	\$136.50
Pat Pearson	Reconciliation Analyst, 3¼ years; 17 years prior experience in accounts payable	\$65.00	\$0.1	\$6.50
Brenda Reed	Consultant, 3¼ years; 12 years prior experience corporate accounting and internal auditing	\$140.00	2.0	\$280.00
Belinda Rivera	Case Support Clerk, 2¼ years	\$45.00	2.3	\$103.50
Airgelou Romero	Case Analyst, 1½ years; 3 years prior legal industry experience	\$65.00	27.1	\$1,761.50
Lisa Ruppenner	Case Support Associate, 3¼ years	\$95.00	106.5	\$10,117.50
Lisa Schroeder	Case Support Clerk, 1½ years	\$45.00	0.6	\$27.00
Arrie Sherr	Senior Data Analyst, 2 months; 7 years prior experience as computer programmer, consultant and data manager	\$110.00	2.2	\$242.00
Lucina Solis	Case Support Associate, 2½ years	\$45.00	3.2	\$144.00
Kong Tan	Data Consultant, 1¼ years; 5 years prior experience in computer application development	\$150.00	10.2	\$1,530.00
Brianna Tate	Case Information Clerk, 2¼ years	\$45.00	3.1	\$139.50
Anna Wick	Senior Data Analyst, 3¼ years	\$110.00	76.1	\$8,371.00
Robyn Witt	Senior Data Consultant, 6 months; 12 years prior experience Microsoft product applications	\$125.00	118.9	\$14,862.50

Grand Total:	Actual Fees: \$317,856.50	Hours: 1,989.1
Blended Rate:	\$159.80	

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Actual Fees
Asbestos Claims	736.3	\$117,237.50
Asbestos PI Claims	75.9	\$13,201.50
Case Administration	295.4	\$49,847.00
Data Analysis	319.1	\$42,386.50
Fee Applications – Applicant	351.1	\$72,991.00
Non-Asbestos Claims	202.3	\$21,360.50
Plan & Disclosure Statement	0	0.00
Travel – Non Working	9.0	832.50
Total	1,989.1	\$317,856.50

EXPENSE SUMMARY

Expense Category	Service Provider (If Applicable)	Total Expenses
b-Linx/Data Storage	BMC	\$2,550.00
Document Storage	BMC	\$1,658.80
Airline	Southwest	\$330.65
Breakfast – Travel	Various	\$19.17
Conference Call	Various	\$148.62
Dinner – BMC/Client	Various	\$22.27
Lodging – BMC/Client	Boca Raton Hilton	\$110.05
Lunch	Various	\$26.68
Parking	Chicago Midway Airport	\$38.00
Phone/ISP	Various	\$80.02
Postage/Shipping	Various	\$156.66
Rental Vehicle	Alamo Rental	\$77.01
Taxi	Various	\$27.00
Total		\$5,244.93

PRODUCTION EXPENSE SUMMARY

Date of Mailing	Service Provider (If Applicable)	Total Expenses
October 28, 2005	BMC (4 mailings)	\$358.58
November 14, 2005	BMC (1 mailing)	\$272.66
November 21, 2005	BMC (1 mailing)	\$36.68
December 22, 2005	BMC (2 mailings)	\$2,018.98
December 29, 2005	BMC (1 mailing)	\$849.31
Total		\$3,536.21

WHEREFORE, BMC respectfully requests:

(a) that an allowance be made to it in the aggregate of \$250,352.08, which is comprised of:

- (i) 80% of the fees rendered by BMC to the Debtors for reasonable and necessary professional services during the Nineteenth Quarterly Fee Period (80% of \$301,963.67* = \$241,570.94);
- (ii) 100% of the actual and necessary costs and expenses incurred by BMC during the Nineteenth Quarterly Fee Period (\$8,781.14); and

* Fee amounts sought for the Nineteenth Quarterly Fee Period reflect BMC's voluntary courtesy discount of 5% from \$317,856.50 in actual fees for this period.

(b) that both the fees and expenses are payable as an administrative expense of the Debtors' estates;

and

(c) for such other and further relief as the Court deems just and proper.

Dated: February 22, 2006

BMC GROUP (f/k/a BANKRUPTCY
MANAGEMENT CORPORATION)

By: 

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Claims Reconciliation and Solicitation
Consultant to the Debtors and
Debtors in Possession